

Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	72966	Agenda Number	25.

Meeting Date: August 3, 2017

Department: Office of Real Estate Services

Subject

Approve an ordinance authorizing the negotiation and execution of all documents and instruments necessary or desirable to purchase ten properties at risk of flooding, located at 4601 and 4603 South Pinehurst Drive, 4602 Tamarisk Cove, 11109 Champions Lane, and 11218, 11244, 11253, 11256, 11260, and 11262 Pinehurst Drive, in a total amount not to exceed \$4,987,500, establishing acquisition and relocation guidelines, and waiving requirements of City Code Chapter 14-3. (District 5)

Amount and Source of Funding

Funding in the amount of \$4,987,500 is available in the Fiscal Year 2016-2017 Capital Budget of the Watershed Protection Department.

Fiscal Note

A fiscal note is not required.			
Purchasing Language:			
Prior Council Action:	April 13, 2017 – Council approved Resolution 20170413-023 May 19, 2016 - Council approved Resolution 20160519-045		
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Boards and Commission Action:			
MBE / WBE:			
Related Items:			
Additional Backup Information			

The Watershed Protection Department (WPD), in its mission to protect lives, property, and the environment of our community, and as part of its Watershed Master Plan, has identified these properties in southeast Austin in the Onion Creek subdivision as a high priority area for reducing flood risks. The Onion Creek Watershed has experienced severe flooding in 1998, 2001, 2013, and most recently, in October 2015. There are approximately 140 homes in the Onion Creek subdivision in the Upper Onion Creek area that are at risk of flooding from a 100-year flood event. WPD has been working on a feasibility study for this area to identify and evaluate structural and non-structural flood mitigation and flood risk reduction options. The study is expected to be completed before the end of the 2017 fiscal year and staff will brief City Council on the results of the study and present a recommendation for project selection and implementation at that time.

As part of the Fiscal Year 2017 budget, City Council approved \$1.25 million in order for WPD to initiate buyouts in the Pinehurst and Wild Dunes areas of the Onion Creek subdivision. A prioritization process for these recovery buyouts was developed that focuses on flood risk and date of ownership of the property. Properties are first prioritized based on predicted depth of flooding inside the home. This priority order is further refined to include only properties which have had the same owner since before the October 2013 flood event.

On April 13, 2017, City Council approved a resolution directing staff to allocate additional funding in the amount of \$3.75 million and to pursue the acquisition of ten flood-damaged properties in the vicinity of Pinehurst Drive and Wild Dunes Drive in the Onion Creek Subdivision. These ten properties sustained major damage during the October 2013 flood event and are the properties with the highest risk of flooding in the area whose ownership has not changed since before the October 2013 flood event. These recovery buyouts will be voluntary and property owners will be offered fair market value for their homes, as determined by an independent third-party appraisal, and relocation benefits will be determined following the guidance established in the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

These ten properties are part of the Onion Creek Homeowners' Association (OCHOA) and as such are subject to OCHOA's dues and assessments. As the City's intended future use of the properties will be for a non-residential purpose, the OCHOA has agreed to exempt the properties from dues and assessments during the term of the City's ownership. WPD and the Office of Real Estate Services are working with the OCHOA to reduce or eliminate future assessments and establish a future maintenance schedule.